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INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 3022
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C O N F I D E N T I A L SECTION 01 OF 05 TOKYO 001150

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STATE PASS USTR - W. CUTLER AND M. BEEMAN
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E.O. 12958: DECL: 04/24/2018
TAGS: [PREL](#) [PGOV](#) [ETRD](#) [JA](#) [KS](#) [KN](#)
SUBJECT: LEE MYUNG-BAK VISIT A "GREAT SUCCESS"

REF: A. TOKYO 1029
[1](#)B. TOKYO 0547
[1](#)C. TOKYO 1139

Classified By: Ambassador J. Thomas Schieffer. Reasons 1.4 (B) (D)

Summary

[1](#)1. (C) Foreign Ministry and ROK Embassy contacts hailed South Korean President Lee Myung-bak's April 20-21 Tokyo visit as a "great success," as both leaders sought to expand Japan-Korea relations into a "mature partnership" aimed at addressing international issues, and to open a "New Era" in Tokyo-Seoul relations through shuttle diplomacy. On North Korea, Prime Minister Fukuda noted that the DPRK's failure to supply a complete and correct nuclear declaration had placed the Six-Party Talks (6PT) in a "difficult situation," and added that the declaration constituted "a very important step in fixing the scope of the nuclear program to be abandoned." Lee promised the ROK would fulfill its proposal to raise the DPRK's per capita income to USD 3,000 only after Pyongyang had abandoned its nuclear options and opened up to the world. The ROK leader reported that President Bush promised "the United States would never reduce its requirements" on North Korea, and that Washington would "thoroughly verify" the DPRK's declaration. Seoul will support resumption of a trilateral United States-Japan-ROK consultation framework but will strive for "balance" in addressing Chinese concerns, according to our ROK Embassy contact.

[1](#)2. (C) Summary continued. On bilateral issues, Fukuda and Lee agreed to begin "preliminary consultations" aimed at re-starting negotiations on an Economic Partnership Agreement (EPA) "by the end of June." Despite the positive atmospherics of the summit, our ROK Embassy interlocutor stressed that Seoul "still kept and retained concerns" about developments in Tokyo, and that the "causes of the difficulties and conflict are still alive" in Japan-ROK relations. End Summary.

Visit a "Great Success"

¶3. (C) Foreign Ministry and ROK Embassy contacts in Tokyo called South Korean President Lee Myung-bak's April 20-21 Tokyo visit a "great success" during conversations with Embassy Tokyo. Both interlocutors agreed Lee's summit with Prime Minister Yasuo Fukuda marked the resumption of shuttle diplomacy between Tokyo and Seoul, and acknowledged that the bilateral dialogue made the so-called "New Era" in Japan-South Korean relations a concrete reality (Ref A).

¶4. (C) Major Japanese media outlets provided front-page coverage of the event, noting that Lee was the first Korean leader to come to Tokyo since former President Roh Moo-hyun visited in December 2004. During that exchange, Roh and former Japanese Prime Minister Junichiro Koizumi agreed to begin so-called shuttle diplomacy in which the government leaders made reciprocal visits to their respective capitals. Under the accord, Koizumi visited Seoul in June 2005, but Roh canceled a planned December 2005 return call after Koizumi visited Yasukuni Shrine in October. PM Fukuda and President Lee agreed to resume shuttle diplomacy when the Japanese leader attended Lee's February 25 inauguration in Seoul (Ref B).

Jam-Packed Schedule

¶5. (C) According to MOFA Northeast Asia Division Deputy

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Director Shigetoshi Nagao, Lee's jam-packed schedule included an April 20 dinner with 500 ethnic Korean residents of Japan, followed the next day with a 90-minute summit meeting, a discussion with the leaders of the newly-created Japan-ROK Business Summit Roundtable and a joint press conference. Lee then attended a lunch hosted by a Japanese business federation, paid a 30-minute call on the Emperor and Empress and recorded a town hall-type question/answer interview meeting with the general public which aired later that same evening. The ROK President ended a busy day with a two-hour dinner hosted by the PM, before departing for Seoul on April ¶21.

Outline Shared Goals

¶6. (C) Nagao and ROK Embassy First Secretary Kang Young-hoon each reviewed the content of PM Fukuda's and President Lee's joint statement which outlined the shared goals and agreements undertaken by the two sides:

-- Japan-Korea Relations: Expand relations into a "mature partnership" aimed at addressing international issues, and to open a "New Era" in Tokyo-Seoul relations through shuttle diplomacy. Lee will attend the July 7-9 G8 Outreach meeting in Hokkaido and Fukuda promised to visit South Korea in the second half of 2008. The two countries agreed to increase people-to-people exchanges by expanding the quota for working holiday visas to 7200 in 2009 and 10,000 by 2012.

-- North Korea: Call on the DPRK to submit a complete and correct nuclear declaration, and seek close cooperation among the United States, Japan, the ROK and the PRC.

-- Cooperation on International Challenges: Enhance cooperation on environmental issues such as climate change, energy development, and development assistance.

-- Trilateral Summit: Conduct a Japan-ROK-PRC summit before the end of 2008.

North Korea

¶17. (C) Nagao and Kang concurred on most details of the leaders' discussion on North Korea. As related by Nagao, Fukuda noted that the DPRK's failure to supply a complete and correct nuclear declaration had placed the Six-Party Talks (6PT) in a "difficult situation." The PM told Lee the declaration constituted "a very important step in fixing the scope of the nuclear program to be abandoned." Tokyo would require that the DPRK settle all pending issues, including the abduction, missile and nuclear questions, before Japan would normalize relations with North Korea. Lee expressed support for Japan's policy, and said South Korea would provide economic assistance - in accordance with the ROK's proposal to raise the DPRK's per capita income to USD 3000 - only after Pyongyang had abandoned its nuclear options and opened up to the world. The Japanese leader reciprocated with approval of Lee's plan, and cited the importance of "harmonizing" the Japan and ROK positions - "otherwise, North Korea will take advantage of our differences." Both men agreed on the need to "harmonize" trilateral cooperation among the United States, Japan, and the ROK. In the only minor difference between the MOFA and ROK Embassy versions of the leaders' DPRK dialogue, Kang emphasized the importance Seoul placed on obtaining the PRC's cooperation in addressing the North Korean issue.

Bush-Lee Summit

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¶18. (C) Nagao reported that Fukuda asked Lee about the ROK leader's discussion with President Bush. Lee said the President shared Tokyo's and Seoul's view regarding the importance of the declaration. Lee told Fukuda that President Bush "complained" about press reports indicating that the United States intended to reduce 6PT demands on Pyongyang. According to Nagao's account of the Fukuda-Lee meeting, President Bush "repeatedly told Lee the United States would never reduce its requirements," with the President adding that Washington would "thoroughly verify" the North's declaration. Lee told Fukuda that the ROK President supported President Bush's stance. The ROK leader told Fukuda, according to Nagao, that North-South reunification "would never happen" unless Pyongyang abandoned its nuclear program.

Balance PRC Concerns Regarding U.S.-Japan-ROK

¶19. (C) The Japanese and South Korean leaders discussed strengthening United States-Japan-ROK cooperation, but failed to reach agreement on details of Japan's trilateral meeting proposal. According to Nagao, Seoul expressed its desire to conduct discussions at the Vice Foreign Minister level (Deputy Secretary or Japan VFM Mitoji Yabunaka equivalent), while Tokyo pushed for Deputy Foreign Minister-level dialogue (U/S or Japan DFM Kenichiro Sasae equivalent). Nagao asserted that Yabunaka's schedule would make it "difficult for him to travel abroad," while noting Sasae's expertise in East Asian issues as recent head of MOFA's Asian and Oceanian Affairs Bureau.

¶10. (C) The South Korean Embassy representative said his government had expected "more detail" on Japan's proposal to hold the United States-Japan-ROK trilateral. Seoul remains concerned that a Trilateral Coordination and Oversight Group (TCOG)-like mechanism would create doubt and/or concern in Beijing - a step Kang said would not be good for the 6PT framework. The ROK will seek to maintain "balance" in addressing Chinese concerns.

Japan-ROK-PRC

¶11. (C) Tokyo agreed to host the Japan-ROK-PRC trilateral summit before the end of 2008. The three leaders normally hold an annual discussion on the margins of the ASEAN 3, but will for the first time meet independently from that regional forum. The last trilateral summit took place November 2007 in Singapore.

UNSC Candidacy

¶12. (C) Kang said Fukuda asked for South Korea's support for Tokyo's candidacy for both a non-permanent UNSC seat from 2009-2012 and a permanent seat during on-going discussions about UN reform. Lee promised to give "positive consideration" to Japan's request for the non-permanent seat, but according to Kang, offered no comment on the PM's inquiry on a permanent seat.

Japan-ROK EPA

¶13. (C) Fukuda and Lee held "several conversations" on concluding an Economic Partnership Agreement (EPA), Nagao

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reported (Ref C). The two men agreed to begin "preliminary consultations" aimed at re-starting negotiations on an EPA "by the end of June." The Japanese team will be headed by the Foreign Ministry's Asian and Oceanian Affairs Bureau, Japan-Korea Economic Affairs Division Director Takeshi Akahori, who doubles as Senior Policy Coordinator for the Korean Peninsula. (Comment: Nagao explained that Japan officially defines an EPA as being broader than a free trade agreement (FTA). In Tokyo's interpretation, an FTA is limited to tariffs and other trade issues, while an EPA involves a broader array of subjects such as investment and intellectual property rights. Nagao asserted, however, that the international economic community often conceptualizes FTA's as having the same broad range of economic activity which Japan exclusively defines as falling under an EPA. Nagao cited NAFTA as an example of an FTA which would be defined as operating as an EPA under Tokyo's rules. Though Japan makes an official distinction between an EPA and a FTA, Tokyo sometimes uses the terms interchangeably as a way of explaining agreements to foreign observers who are familiar with the international community's commonly accepted understanding of a (broad-based) FTA. Ref C reports comments of a Ministry of Economy, Trade, and Industry official on the prospects for restarting full negotiation on a Japan-Korea trade agreement. End Comment)

¶14. (C) ROK Embassy Kang said that Tokyo urged Seoul to resume EPA/FTA negotiations which ended in 2005 over Japan's failure to adequately open its agricultural sector. Kang implied that those problems remain. Presently, South Korea has a "strong interest" in a reaching a cooperative agreement on, and increasing imports of, machine parts.

Korean Suffrage

¶15. (C) Kang said the PM offered a "cautious" response to President Lee's request that Korean residents of Japan be allowed to vote in local elections. The ROK Embassy assesses that the Diet remains divided on the issue of Korean suffrage - "even within the ruling Liberal Democratic Party (LDP)."

Royal Invite

¶16. (C) Nagao and Kang agreed that President Lee extended a pro forma invitation for Emperor Akihito and Empress Michiko to visit South Korea. Kang cited the requirements of "Asian courtesy" and Confucian tradition in making an offer which neither side expects will be taken up. The Imperial Family responded as required, according to Kang, by noting that the invite would be given due consideration by the Japanese government. Nagao and Kang noted that South Korea's failure to offer the invite might have created a diplomatic incident.

Worry Over "Prevailing Populism"

¶17. (C) Kang emphasized that Seoul strived to keep the Fukuda-Lee summit focused on positive "New Era" developments such as economic cooperation, development assistance, the environment and university exchanges, while approaching history and contentious issues in a "low-profile" manner. Despite the genuinely positive atmosphere that existed during the summit, however, Kang stressed that the ROK "still kept and retained concerns" about developments in Tokyo, and that the "causes of the difficulties and conflict are still alive" in Japan-ROK relations. Kang offered that Seoul "should be careful about how to deal" with the bilateral relationship because "nothing had been resolved." He suggested that the

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two countries would require more communication and closer consultation to address the issues. Kang nevertheless said that the ROK remained worried about two phenomena in Japanese society: 1) "prevailing populism" reflected by "ultra-conservative politicians who use the bilateral relationship for purposes of gaining popularity, as was done during the Koizumi era," and 2) the activities of ultra-rightists protesting Korean claims to the Liancourt Rocks and Korean "lies" about Comfort Women. Kang said that, during the Lee visit, ultra-rightist elements held demonstrations outside the ROK Embassy and near the President's hotel.
SCHIEFFER